

Guy A. Lewis, United States Attorney for the Southern District of Florida; Hector M. Pesquera, Special Agent in Charge, Federal Bureau of Investigation, Miami Field Division, and Jose I. Marrero, Special Agent in Charge, Criminal Investigation Division, Internal Revenue Service, Southeast Region, Plantation, announced that on April 2, 2002, Gary Pierce was sentenced by United States District Court Judge Daniel T.K. Hurley, West Palm Beach, Florida, in connection with his conviction on multiple counts of mail fraud and money laundering relating to a \$117 million Ponzi scheme involving Financial Federated Title & Trust. Pierce was sentenced to a term of 240 months' incarceration, to be followed by three years' supervised release and a special assessment of \$400. The Court further ordered restitution in the amount of \$31,093,005.35.

In July 2001, Pierce had been convicted of conspiracy to commit mail fraud, conspiracy to commit money laundering, and two counts of money laundering relating to his role in taking over Financial Federated Title & Trust of Ft. Lauderdale, Florida. Financial Federated took in more than \$117 million in investor monies before its collapse in September 1999. During a three-month trial last year in West Palm Beach, federal prosecutors demonstrated that Financial Federated was a massive Ponzi scheme in which old investors were paid with new investors' monies.

Two other defendants, Alan Lewis and Zane Balsam, are scheduled to be sentenced this week in West Palm Beach before Judge Hurley.